



Closed Site Management Group 720 Butterfield Rd. Lombard, IL 60148 (630) 572-8800 (630) 218-1596 Fax

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June 19, 2001

Deena Sheppard-Johnson, SR-6J U.S. Environmental Protection Agency Remedial Enforcement Support Section 77 West Jackson Blvd. Chicago, Ilinois 60604

RE: Chemical Recovery Systems Site, Elyria, Ohio

Dear Ms. Sheppard-Johnson:

Enclosed you will find CWM Chemical Services, L.L.C.'s response to the U.S. Environmental Protection Agency's March 2, 2001 Request for Information concerning the above referenced site.

If you have any questions, please call our counsel, Peter J. Kelly at 312/269-8906 or myself at 630/572-2486.

Sincerely,

Debra A. Kopsky

Paralegal

Enclosures

Cc: Jim Forney (w/enclosures)

Peter J. Kelly (w/enclosures)

US EPA RECORDS CENTER REGION 5

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1. Identify all persons consulted in the preparation of the answers to these questions.

Peter J. Kelly, Esq. Seyfarth Shaw 55 E. Monroe Street Chicago, Illinois 60603

Debra A. Kopsky Paralegal Waste Management, Inc. 720 Butterfield Road Lombard, Illinois 60148

Bruce Geschwender Chemist CWM Chemical Services, L.L.C. Mr. Geschwender can be reached through our counsel, Peter J. Kelly.

2. Identify all documents consulted, examined, or referred to in the preparation of the answers to these questions and provide copies of all such documents.

In addition to the document attached as Exhibit A, the only relevant documents reviewed for this response were those provided as evidence by the U.S. Environmental Protection Agency.

3. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any question or who may be able to provide additional responsive documents, identify such persons.

Respondent, CWM Chemical Services, L.L.C., does not have any reason to believe that there are persons able to provide a more detailed or complete response or provide additional documentation to the questions herein.

4. List the EPA Identification Numbers of the Respondent.

Respondent's EPA Identification Number is NYD049836679.

5. Identify the acts or omissions of any person, other than your employees, contractors, or agents, that may have caused the release or threat of release of hazardous substances, pollutants, or contaminants and damages resulting therefrom at the CRS Site.

Respondent does not know of any acts or omissions by any person that may have caused the release or threat of release of hazardous substances, pollutants, or contaminants and damages at the CRS Site.

6. Identify all persons including respondent's employees, who have knowledge or information about the generation, use, treatment, storage, disposal, or other handling of material at or transportation of materials to the Site (operating as Obitts Chemical Company or Chemical Recovery Systems, Inc., at 142 Locust Street, Elyria, Ohio).

Respondent does not know of anybody that would have any knowledge regarding the generation, use, treatment, storage, disposal or other handling of material at the Site or transportation of materials to the Site.

7. Describe all arrangements that Respondent may have or may have had with each of the following companies and persons:

a) Obitts Chemical Company

See Exhibit A. In 1973, Chem-Trol Pollution Services, Inc. analyzed 2 waste samples for Obitts Chemical Co.

b) Russell Obitts

Our investigation did not reveal that any arrangements were made with Russell Obitts.

c) Chemical Recovery Systems, Inc.

Respondent has been unable to determine what type of arrangements may have been made with Chemical Recovery Systems, Inc.

d) Peter Shagena

Our investigation did not reveal that any arrangements were made with Peter Shagena.

e) James Freeman

Our investigation did not reveal that any arrangements were made with James Freeman.

f) James "Jim" Jackson

Our investigation did not reveal that any arrangements were made with James "Jim" Jackson.

g) Donald Matthews

Our investigation did not reveal that any arrangements were made with Donald Matthews.

h) Bob Spears

Our investigation did not reveal that any arrangements were made with Bob Spears.

i) Bill Bromley

Our investigation did not reveal that any arrangements were made with Bill Bromley.

j) Carol Oliver

Our investigation did not reveal that any arrangements were made with Carol Oliver.

k) Nolwood Chemical Company, Inc.

Our investigation did not reveal that any arrangements were made with Nolwood Chemical Company, Inc.

l) Art McWood

Our investigation did not reveal that any arrangements were made with Art McWood.

m) Chuck Nolton

Our investigation did not reveal that any arrangements were made with Chuck Nolton.

n) Michigan Recovery System, Inc.

Our investigation did not reveal that any arrangements were made with Michigan Recovery System, Inc.

o) Chemical Recovery Systems of Michigan

Our investigation did not reveal that any arrangements were made with Chemical Recovery Systems of Michigan.

- 8. Set forth the dates during which the Respondent engaged in any of the following activities:
 - a) generation of hazardous materials which were sent to the CRS Site;

Respondent is not a generator of hazardous waste.

b) Transportation of any material to the CRS Site.

Respondent has been unable to determine that it transported waste to the CRS Site.

- 9. Identify all persons, including yourself, who may have arranged for disposal or treatment, or arranged for transportation for disposal or treatment, of materials, including, but not limited to, hazardous substances, at the CRS Site. In addition, identify the following:
 - a) The persons with whom you or such other persons made such arrangements;

Respondent has been unable to determine that it arranged for disposal or treatment, or arranged for transportation for disposal or treatment, of materials, including, but not limited to hazardous substances, to the CRS Site.

b) Every date on which such arrangements took place;

See Response to Question 9a.

c) For each transaction, the nature of the material or hazardous substance including the chemical content, characteristics, physical state (e.g., solid, liquid), and the process for which the substance was used or the process which generated the substance:

See Response to Question 9a.

d) The owner of the materials or hazardous substances so accepted or transported;

See Response to Ouestion 9a.

e) The quantity of the materials or hazardous substances involved (weight or volume) in each transaction and the total quantity for all transactions;

See Response to Question 9a.

f) All tests, analyses, and analytical results concerning the materials;

See Response to Question 9a.

g) The person(s) who selected the CRS Site as the place to which the materials or hazardous substances were to be transported;

See Response to Question 9a.

h) The amount paid in connection with each transaction, the method of payment, and the identity of the person from whom payment was received;

See Response to Question 9a.

i) Where the person identified in g., above, intended to have such hazardous substances or materials transported and all evidence of this intent;

See Response to Question 9a.

j) Whether the materials or hazardous substances involved in each transaction were transshipped through, or were stored or held at, any intermediate site prior to final treatment or disposal;

See Response to Question 9a.

k) What was actually done to the materials or hazardous substances once they were brought to the CRS Site;

See Response to Question 9a.

1) The final disposition of each of the materials or hazardous substances involved in each transaction;

See Response to Question 9a.

m) The measures taken by you to determine the actual methods, means, and site of treatment or disposal of the material and hazardous substance involved in each transaction;

See Response to Question 9a.

n) The type and number of containers in which the materials or hazardous substances were contained when they were accepted for transport, and subsequently until they were deposited at the CRS Site, and all markings on such containers;

See Response to Question 9a.

o) The price paid for (i) transport, (ii) disposal, or (iii) both of each material and hazardous substance;

See Response to Question 9a.

p) All documents containing information responsive to a – o above, or in lieu of identification of all relevant documents, provide copies of all such documents;

See Response to Question 9a.

q) All persons with knowledge, information, documents responsive to a-p above.

See Response to Question 9a.

10. Identify all liability insurance policies held by Respondent from 1960 to the present. In identifying such policies, state the name and address of each insurer and of the insured, the amount of coverage under each policy, the commencement and expiration dates for each policy, whether or not the policy contains a "pollution exclusion" clause, and whether the

policy covers or excludes sudden, non-sudden, or both types of accidents. In lieu of providing this information, you may submit complete copies of all relevant insurance policies.

This request is unduly burdensome and not likely to lead to discovery of funds available to pay response costs.

11. Provide copies of all income tax returns, including all supporting schedules sent to the Federal Internal Revenue Service in the last five years.

Respondent is a New Jersey Limited Liability Corporation whose single-member is Waste Management of New Jersey, Inc., a wholly-owned subsidiary of Waste Management, Inc. whose financial statements are available at http://www.wm.com. Audited financial statements are not prepared for CWM Chemical Services, L.L.C.

- 12. If Respondent is a Corporation, respond to the following requests:
 - a) Provide a copy of the Articles of Incorporation and By-Laws of the Respondent.

The Certificate of Formation and the Limited Liability Company Agreement for CWM Chemical Services, L.L.C. are attached as Exhibit B.

b) Provide Respondent's financial statements for the past five fiscal years, including, but not limited to, those filed with the Internal Revenue Service and Securities and Exchange Commission.

See Response to Question 11.

c) Identify all of Respondent's current assets and liabilities and the person(s) who currently own(s) or is (are) responsible for such assets and liabilities.

See Response to Question 11.

d) Identify the Parent Corporation and all Subsidiaries of the Respondent.

The Parent Corporation is Waste Management, Inc. A list of subsidiaries are listed on Waste Management, Inc.'s 10 - K report which can be found by searching at http://www.sec.gov/edgar/searchedgar/formpick.htm.

- 13. If Respondent is a Partnership, respond to the following requests:
 - a) Provide copies of the Partnership Agreement;

Not applicable.

b) Provide Respondent's financial statements for the past five fiscal years, including but not limited to, those filed with the Internal Revenue Service and Securities and Exchange Commission;

Not applicable.

c) Identify all of Respondent's current assets and liabilities and the person(s) who currently own(s) or is (are) responsible for such assets and liabilities.

Not applicable.

d) Identify all subsidiaries of the Respondent.

Not applicable.

- 14. If Respondent is a Trust, respond to the following requests:
 - a) Provide all relevant agreements and documents to support this claim.

Not Applicable.

b) Provide Respondent's financial statements for the past five fiscal years, including, but not limited to, those filed with the Internal Revenue Service and Securities and Exchange Commission.

Not applicable.

c) Identify all of Respondent's current assets and liabilities and the person(s) who currently own (s) or is (are) responsible for such assets and liabilities.

Not applicable.

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Certificate of Formation

of

CWM CHEMICAL SERVICES, L.L.C.

This Certificate of Formation of CWM Chemical Services, L.L.C. (the "LLC"), dated December 23, 1997, is being duly executed and filed by CWM Chemical Services, Inc., a Delaware corporation, as an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del. Code §18-101, et seq.).

FIRST. The name of the limited liability company is CWM CHEMICAL SERVICES, L.L.C.

SECOND. The address of the registered office of the LLC in the State of Delaware is c/o The Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle.

THIRD. The name and address of the registered agent for service of process on the LLC in the State of Delaware is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

CWM CHEMICAL SERVICES, INC.

Carrie L. Cozzi, Assistant Secret

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Exhibit B

LIMITED LIABILITY COMPANY AGREEMENT

OF

CWM CHEMICAL SERVICES, L.L.C.

The Limited Liability Company Agreement (the "Agreement") of CWM CHEMICAL SERVICES, L.L.C., is entered into between CWM CHEMICAL SERVICES, INC., a Delaware corporation, as member (referred to herein, together with any person who hereafter becomes a member of the company pursuant to Section 18 below, as the "Member").

The Member hereby forms a limited liability company pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. Code §18-101, et seq.), as amended from time to time (the "Act"), and hereby agree as follows:

- 1. Name. The name of the limited liability company formed hereby is CWM CHEMICAL SERVICE, L.L.C. (the "Company").
- 2. <u>Purpose</u>. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act and engaging in any and all activities necessary or incidental to the foregoing.
- 3. <u>Powers</u>. (a) The Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, incidental or convenient for the furtherance of the purpose set forth in Section 2 above, including but not limited to, the power:
 - (i) to conduct its business, carry on its operations and have and exercise the powers granted to a limited liability company by the Act in any state, territory, district or possession of the United States, or in any foreign country that may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;
 - (ii) to acquire by purchase, lease, contribution of property or otherwise, own, hold, operate, maintain, finance, improve, lease, sell, convey, mortgage, transfer, demolish or dispose of any real or personal property that may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;
 - (iii) to act as a general or limited partner of a partnership and to exercise all of the powers duties, rights and responsibilities associated therewith;
 - (iv) to enter into, perform and carry out contracts of any kind, including, without limitation, contracts with any Member, any affiliate thereof, or any agent of the Company necessary to, in connection with, convenient to, or incidental to the accomplishment of the purpose of the Company;

- (v) to purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in or obligations of domestic or foreign corporations, associations, general or limited partnerships, trusts, limited liability companies, or individuals or direct or indirect obligations of the United States or of any government, state, territory, governmental district or municipality or of any instrumentality of any of them;
- (vi) to lend money for its proper purpose, to invest and reinvest its funds, to take and hold real and personal property for the payment of funds so loaned or invested;
- (vii) to sue and be sued, complain and defend, and participate in administrative or other proceedings, in its name;
- (viii) upon approval by the Member, to elect or designate and employ one or more officers of the Company in accordance with Section 8 hereof and to appoint and employ employees and agents of the Company, and define their duties and fix their compensation;
 - (ix) to indemnify any person in accordance with the Act;
- (x) upon approval by the Member, to cease its activities and cancel its Certificate;
- (xi) to negotiate, enter into, renegotiate, extend, renew, terminate, modify, amend, waive, execute, acknowledge or take any other action with respect to any lease, contract or security agreement in respect of any assets of the Company;
- (xii) to borrow money and issue evidences of indebtedness, and to secure the same by a mortgage, pledge or other lien on the assets of the Company;
- (xiii) to pay, collect, compromise, litigate, arbitrate or otherwise adjust or settle any and all other claims or demands of or against the Company or to hold such proceeds against the payment of contingent liabilities;
- (xiv) to make, execute, acknowledge and file any and all documents or instruments necessary, convenient or incidental to the accomplishment of the purpose of the Company; and
- (xv) to merge with, or consolidate into, another Delaware limited Liability company or other business entity (as defined in Section 18-209(a) of the Act) upon approval by the Member.

- (ii) For the purpose of determining the Member entitled to vote at any meeting of the Member or any adjournment thereof or to act by written consent pursuant to Subsection (v) of this Section 7(b), the Secretary or the Member requesting such meeting or consent may fix, in advance, a date as the record date for any such determination. Such date shall not be more than 30 days nor less than ten days before any such meeting or the date of request for such consent. If no such record date is so fixed, the date of the meeting or the date of request for consent, as the case may be, shall be the record date.
- (iii) Each Member may authorize any Person to act for it by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or its attorney-in-fact. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.
- (iv) Each meeting of Member shall be conducted by the Member requesting such meeting or by such other person that the Member requesting such meeting may designate. If no person is so designated, the President shall conduct the meeting.
- (v) The Member may take any action contemplated under this Agreement as approved by the unanimous written consent of the Member.
- 8. Officers. (a) The Member may from time to time appoint persons to serve as officers of the Company, including a President, one or more Vice Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer, one or more Assistant Treasurers and a Controller and to exercise such authority as is provided below. Any number of offices may be held by the same person. Each officer shall serve until the first to occur of the appointment by the Member of his or her successor or his or her death, resignation or removal from office by the Member. The authority of the officers shall not be exclusive of, and shall be subject to, the authority of the Member.
 - (b) (i) Powers and Duties of the President. Unless otherwise determined by the Member, the President shall be the chief executive and operating officer of the Company and shall have the usual duties of an executive officer with general supervision over and direction of the business, property and affairs of the Company and its several officers. In the exercise of these duties and subject to the limitations of the laws of the State of Delaware, this Agreement, and the actions of the Member, he or she may appoint, suspend and discharge employees and agents. He or she shall also do and perform such other duties as from time to time may be assigned to him or her by the Member. Unless otherwise determined by the Member, the President shall have full power and authority on behalf of the Company to attend and to act and to vote at any meeting of the stockholders of any corporation in which the Company may hold stock, and, at any such meetings, shall possess and may exercise any and all the rights and powers incident to the ownership of such stock and which, as the owner thereof, the Company might have possessed and exercised.

- (ii) Powers and Duties of the Secretary. Unless otherwise determined by the Member, the Secretary shall record all proceedings of the meetings of the Member and all committees thereof, in books to be kept for that purpose, and shall attend to the giving and serving of all notices for the Company. He or she shall have charge of the corporate seal, the Company's Membership and Member Percentage Interest (as defined below) records, and such other books and papers as the Member may direct. He or she shall perform all other duties ordinarily incident to the office of the Secretary and shall have such other powers and perform such other duties as may, from time to time, be assigned to him or her by the Member.
- (iii) Powers and Duties of the Treasurer. Unless otherwise determined by the Member, the Treasurer shall have charge of all the funds and securities of the Company which may come into his or her hands. When necessary or proper, unless otherwise ordered by the Member, he or she shall endorse for collection on behalf of the Company checks, notes and other obligations, and shall deposit the same to the credit of the Company in such banks or depositories as the Member may designate and shall sign all receipts and vouchers for payment made to the Company. He or she shall sign all checks made by the Company except when the Member shall otherwise direct. He or she shall enter regularly, in books of the Company to be kept by him or her for the purpose, full and accurate account of all monies received and paid by him or her on account of the Company. Whenever required by the Member, he or she shall render a statement of the financial condition of the Company. He or she shall at all reasonable times exhibit his or her books and accounts to any Member, upon application at the office of the Company during business hours. He or she shall have such other powers and shall perform such other duties as may be assigned to him or her from time to time by the Member. He or she shall give such bond for the faithful performance of his or her duties as shall be required by the Member and any such bond shall remain in the custody of the President.
- (iv) <u>Powers and Duties of Vice Presidents and Assistant Officers</u>. Unless otherwise determined by the Member, each Vice President and each assistant officer shall have the powers and perform the duties of his or her respective superior officer. Vice Presidents and assistant officers shall have such rank as shall be designated by the Member and each, in the order of rank, shall act for such superior officer in his or her absence, or upon his or her disability or when so directed by such superior officer or by the Member. Vice Presidents may be designated as having responsibility for a specific aspect of the Company's affairs, in which event each such Vice President shall be superior to the other Vice Presidents in relation to matters within his or her aspect. The President shall be the superior officer of the Vice Presidents. The Treasurer and the Secretary shall be the superior officers of the assistant treasurers and assistant secretaries respectively.
- (v) <u>Powers and Duties of the Controller</u>. The Controller shall be the assistant financial officer of the Company. His or her duties shall be to aid the Treasurer of the

Company, particularly in connection with, but not limited to, internal auditing practices and procedures, company accounts and accounting, operating procedures and format, standardization of corporate forms and procedures, monitoring corporate expenses. The Controller shall have such other powers and duties as may be assigned to him or her from time to time by the Member.

- (c) The Member shall have the power to fill any vacancies in any office occurring from whatever reason. Any officer may resign at any time by submitting his or her written resignation to the Company. Such resignation shall take effect at the time of its receipt by the Company, unless another time be fixed in the resignation, in which case it shall become effective at the time so fixed. The acceptance of a resignation shall not be required to make it effective.
- 9. <u>Dissolution</u>. The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (a) January 1, 2062, (b) the written consent of the Member, (c) the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or the occurrence of any other event which terminates the continued membership of a Member in the Company (other than the dissolution of CWM CHEMICAL SERVICES, INC. into Waste Management of New Jersey, Inc.) unless the business of the Company is continued with the consent of all of the remaining Member within 90 days following the occurrence of such event, or (d) the entry of a decree of judicial dissolution under Section 18-802 of the Act.
- 10. <u>Capital Contributions</u>. (a) The Member has contributed the following amounts, in cash or other property, to the Company (the value of any contributed property being hereby agreed upon, together with any contributed cash, as the following amount), which amounts shall be the initial balances of the capital accounts of the Member:

CWM CHEMICAL SERVICES, INC.

\$1,000

(b) The initial percentage interests ("Percentage Interests") of the Member in the Company shall be as follows:

CWM CHEMICAL SERVICES, INC.

100%

- (c) A Member has no interest in specific Company property.
- 11. Additional Contributions. No Member is required to make any additional capital contribution to the Company.

- 12. <u>Capital Accounts</u>. The Company will establish a capital account for each Member and will maintain each account according to the following rules:
- (a) The company will maintain the capital accounts in accordance with United States Department of the Treasury Regulation 1.704-1(b).
- (b) If the Company liquidates itself or a Member's Percentage Interest, the Company will make liquidating distributions in accordance with Section 15 hereof.
- (c) No Member shall be liable to fund any deficit in such Member's capital account at any time; provided, however, that if a Member receives an adjustment, allocations or distribution described in United States Department of the Treasury Regulation 1.704-1(b)(2)(ii)(d)(4), (5) or (6) and this adjustment results in a deficit capital account, items of income and gain will be allocated to that Member to eliminate the deficit balance in order to meeting the "qualified income offset" requirements of United States Department of the Treasury Regulation 1.704-1(b)(2)(ii)(d).
- 13. <u>Tax Matters</u>. (a) The Member acknowledges that the Company will be treated as a "partnership" for federal and Delaware state tax purposes. All provisions of this Agreement shall be construed so as to preserve that tax status.
- (b) CWM CHEMICAL SERVICES, INC. or its successor shall act on behalf of the Company as the "tax matters partner" within the meaning of Section 6231(a)(7) of the Internal Revenue Code of 1986, as amended (the "Code"). The tax matters partner designation may be changed by the unanimous vote of the Member.
- (c) The tax matters partner of the Company shall cause all federal and state income tax returns and all other federal, state or local tax returns required to be filed by the Company to be prepared and filed on behalf of the Company on a timely basis.
- (d) The tax matters partner of the Company shall cause the Company to make timely elections with respect to tax matters. Such elections shall include, but not be limited to, (i) an election to use the accrual method of accounting, (ii) an election to deduct R&D costs under Section 174(a) of the Code, (iii) an organization fee amortization election under Section 709(b) of the Code, (iv) a Code Section 754 election if requested by a Member, and (v) any allocation method permitted under United States Department of the Treasury Proposed Regulation 1 704-1(c)
- 14. Allocation of Profits and Losses: Tax Allocations. (a) Except as provided in Section 12(c) above and Section 14(b) below, the Company's profits and losses shall be allocated to the Member each calendar year according to their respective Percentage Interests.
- (b) Income, gain, loss and deduction solely for federal income tax purposes shall be allocated to the Member in accordance with Section 704(c) of the Code to take into account any variation between the adjusted tax basis of any property and its initial contribution value.

- 15. <u>Distributions</u>. (a) Subject to Section (b) below, distributions shall be made to the Member at the times and in the aggregate amounts determined by the Member. Such distributions shall be allocated among the Member based on the Member's Percentage Interests.
- (b) At the termination of the Company, and after the Company has satisfied or provided for the satisfaction of all the Company's debts and other obligations, the Company's assets will be distributed in cash or in kind (i) first, in discharge of the Member's respective negative capital account balances, if any, and (ii) then, based on the Member Percentage Interests.
- 16. Assignments. A Member may no assign in whole or in part any interest in the Company.
- 17. Resignation and Expulsion. A Member may resign from the Company without the approval of the Member. A Member may not be expelled except for breach of this Agreement or as otherwise provided by the Act. If a Member resigns pursuant to this Section 17, and, following its resignation, there are less than two (2) remaining Member, an additional member shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the resignation, and, immediately following such admission, the resigning Member shall cease to be a member of the Company. In such event, the Company shall not dissolve if the business of the Company is continued without dissolution in accordance with Section 9 hereof. The Company may recover damages for breach of this Section 17 if any Member violates this Section 17 or for any resignation by a Member which results in dissolution of the Company and may offset the Company's damages against any amount owed to a resigning Member for distributions.
- 18. Admission of Additional members. One or more additional members of the Company may be admitted to the Company upon the approval of the Member, provided, that upon the dissolution of CWM CHEMICAL SERVICES, INC. into Waste Management of New Jersey, Inc., Waste Management of New Jersey, Inc. shall thereby be the member of the Company and for all purposes hereunder shall be treated as the holder of CWM CHEMICAL SERVICES, INC.'s 100% Membership in the Company.
- 19. Liability of Member and Officers. The Member and the officers of the Company shall not have any liability for the obligations or liabilities of the Company except to the extent provided in the Act. A Member or officer shall not be personally liable to the Company or the Member for monetary damages for breach of fiduciary duty as a Member or officer, except to the extent provided by applicable law (i) for any breach of the Member's or the officer's duty of loyalty to the Company or its Member, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the Member or officer derived an improper personal benefit. Each person who is or was a Member or officer of the Company, and each person who serves or served at the request of the Company as member, director or officer (or equivalent) of another enterprise, shall be indemnified by the Company to the fullest extent permitted under the Act as it may be in effect from time to time, except as to any action, suit or proceeding brought by or on behalf of such Member or officer of the Company without prior approval of the Member.

20. Governing law. This Agreement shall be governed by, and construed under, the laws of the State of Delaware, all rights and remedies being governed by said laws.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Limited Liability Company Agreement as of the 24th day of December 1997.

CWM CHEMICAL SERVICES, INC.

By:

Brian J. Clarke, Vice President

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